

# LICENSEE

## newsletter



VIRGINIA DEPARTMENT of ALCOHOLIC BEVERAGE CONTROL

## Underage Compliance Rates Increasing but Remain a Top Priority



**P**reliminary figures for Fiscal Year 2003 show a noticeable improvement in the compliance rates thanks to the efforts of the licensees who have taken the risks of serving alcohol and tobacco to underage buyers (UAB) seriously and took the steps to avoid these sales. In fact, ABC closed the year with an alcohol compliance rate of approximately 84 percent, up from the rate of 76 to 77 percent that has remained steady for years. ABC's Bureau of Law Enforcement completed nearly 400 alcohol compliance checks every month during the fiscal year. Virginia has come a long way since UAB compliance checks began in January 1998, when the rate was a disappointing 62 percent.

To increase tobacco compliance rates, ABC and the Virginia Department of Mental Health, Mental Retardation and Substance Abuse Services (DMHMRSAS) conduct the Commonwealth's annual Synar tobacco survey each year. The statistically valid statewide survey, conducted from May 1 to September 30, 2002, measured the tobacco compliance rate at 88.7 percent, which is a sizeable increase from the 60 percent in 1998.

ABC and the DMHMRSAS must com-

ply with Synar requirements to continue receiving the Commonwealth's Substance Abuse Prevention and Treatment (SAPT) annual block grant. Failure to comply with Synar measurements can cost the Commonwealth approximately \$19 million a year. DMHMRSAS uses the SAPT grant to fund Community Service Boards throughout Virginia. From September 1997 to September 2003, ABC has conducted approximately 24,150 tobacco compliance checks.

Special agents, who are sworn police officers from ABC's Bureau of Law Enforcement, routinely visit tobacco and alcohol retailers throughout the Commonwealth to verify compliance with the state requirements, age 18 for tobacco sales and 21 for alcohol. Special agents accompany underage buyers during attempts to purchase tobacco or alcohol at grocery and convenience stores, restaurants and other establishments. The undercover representative, who carries and presents his or her legitimate identification, is instructed not to alter personal appearance and mannerisms or mislead clerks in any way while attempting to make a purchase. If the clerk or server asks for the individual's age, the UAB states his or her age in a clear, audible voice. Regardless of whether the sale was made, the UAB leaves the establishment immediately after the attempt.

Teenagers must be 15 to 17 years old to qualify for the tobacco program and 17 to 19 years old for the alcohol program.

Remember, you can say "no" if there's any doubt of age. If you are found to have sold alcohol to an under-

age person, you will be faced with fines, license suspensions or possibly license revocation. For the safety and well being of the Commonwealth's citizens, ABC is endowed with the responsibility of stopping UAB sales as well as preventing other alcohol-related violations. With *your* help, we can make our communities safer, even save lives. We ask that you continue to do your part to increase the compliance percentage that benefits us all.

## Share Your Success Story

We want to hear how your establishment has been successful overcoming compliance challenges, and if selected, your story will be publicized as a "Licensee Spotlight" in an upcoming issue of the Licensee Newsletter. Do you have creative ways to meet ABC requirements such as combating underage consumption or meeting food qualifications? If so, we want to hear from you! Email your story and a high-quality picture of your establishment or staff to [mwmillr@abc.state.va.us](mailto:mwmillr@abc.state.va.us). Your story may inspire other licensees to brainstorm creative ideas.

## Enforcement Update



S. Christopher  
Curtis, Director  
of ABC Bureau  
of Law  
Enforcement

**O**ur Enforcement Bureau has had to adjust to a couple of significant events including an approximate 20 percent budget cut in two years. We are trying our best not to let it affect our service to you.

Two regional offices will be closing and relocating on a smaller scale to ABC stores in the vicinity. The regional office

in Abingdon will move to the ABC store at 545 West Main Street in early September, and the Roanoke regional office will relocate in early December to the store at 1423 Williamson, Road, N.E. The Abingdon office will keep the same phone number, but a new phone number will be assigned to Roanoke when the move date becomes closer. For several months after the move, the new Roanoke number will be given to customers calling the old number.

In addition, we have lost nine valuable enforcement personnel. We tried to avoid personnel cuts, but our budget is nearly 90 percent personnel related expenses. Unfortunately, making cuts to personnel was impossible to avoid.

Also, of major interest to our agency is

the possibility of merging our Enforcement Bureau into the Virginia State Police. Language in the budget bill for the 2003 General Assembly instructs the Secretary of Public Safety to develop a plan for such a merger, including any proposed legislation, to be presented to the Governor and the Chairmen of various legislative committees by October 15, 2003.

We appreciate the support you have shown us in working together through programs and initiatives to improve compliance rates and increase public safety in Virginia. We look forward to continuing work on this important mission and assisting you in any way that we can.

## Hearings and Appeals Division Annual Activity Summary July 1, 2002-June 30, 2003

Activity*	Count
Cases Referred for Hearings	
-Violation / Disciplinary Reports	1198
-Contested Applications (Approved 53; Denied 21)	74
-Banquet Applications (Approved 8; Denied 8)	16
-Franchise Hearings	6
Total Hearings Requested	1294
Hearings Dispositions	
-Cases Settled by Consent Settlement Offer	601 (46.4% of cases)
-Cases Heard by ABC Hearing Officer	497 (38.4% of cases)
-Cases Settled by Offer In Compromise	150 (11.5% of cases)
-Cases Withdrawn or Dismissed Prior to Hearing	46 (3.5% of cases)
Total Hearings Dispositions	1294
Case Decisions Appealed	
-Initial Decision of Hearing Officer to ABC Board	61
-Final Decision of ABC Board to Circuit Court	24
Civil Penalties Collected	\$2,036,309
Average Civil Penalty Per Case*	\$1,631
Average Suspension Period Per Case**	15.6 days

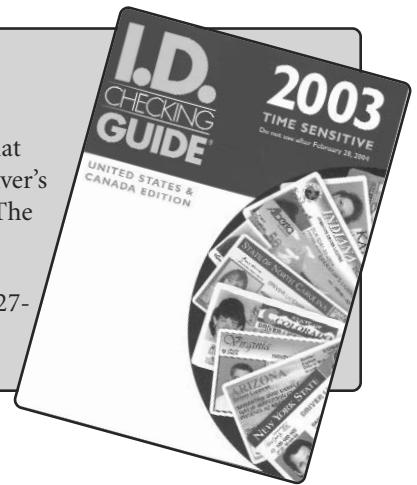
\*Beginning in late 2004, the new Incident Based Reporting System (IBR) will provide electronic reports of ABC case activities.

\*\*Most ABC case decisions provide for a civil penalty or suspension period. This average reflects the results of all civil penalties collected or suspension time levied from all case decisions, consent settlement offers and offers-in-compromise for Fiscal Year 2003.

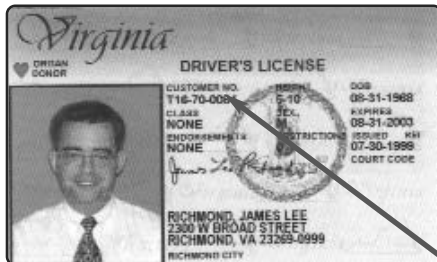
## Drivers License Guide

The Drivers License Guide Company publishes an annual edition of the ID Checking Guide that helps retailers, establishments and law enforcement agencies identify fake IDs. Every valid driver's license format is shown in actual size and full color for all 50 states and 10 Canadian provinces. The guide is a helpful tool to have on hand to review with staff.

You can order the guide from their Web site, [www.idcheckingguide.com](http://www.idcheckingguide.com), or by calling (800) 227-8827. One book is \$21.95 plus shipping, but the price decreases for greater quantity orders.



## Some Helpful Tips...Checking IDs



Virginia driver's licenses, current and prior, \* are laminated. Check to make sure this plastic, protective covering has even edges. In some case, rough or uneven edges can signal deliberate tampering.

Current licenses have two bar codes on the back, use security image of Virginia outline and repeat the state's name across the front.

The current license uses the driver's social security number as the customer number or an alternate number beginning with A, R, T plus 8 digits.

### Check out...

Bumpy or damaged surfaces by the picture or date of birth

Expiration date (never accept expired licenses, no matter what excuses are given)

Missing or partial state seal

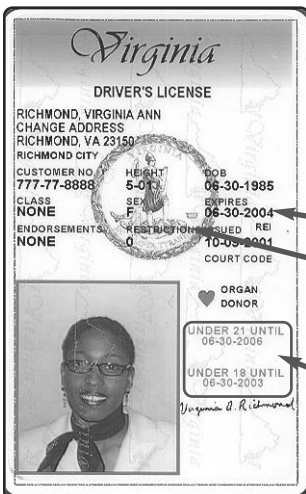
The photo and physical description; do they match the person using the ID?

For underage licenses, "Under 21 Until" and "Under 18 Until" is clearly stated near the picture; this is a straightforward method of deciphering age.

The prior license has a security image with commissioner's signature, state seal in bottom right hand corner and a ghost photo image of driver.

Take time to carefully look over these details; it could be the most important thing you do for your business.

\*"Prior" licenses are valid in 2003 as long as they have not expired.



## Retail Licensee Guides Available

The Retail Licensee Guide is a helpful tool to have on hand at your establishment to answer questions you or your staff may have on ABC laws and regulations. The guide focuses on areas that have involved the greatest number of licensee violations. To download a copy, please go to [www.abc.state.va.us/enforce/abcguid.htm](http://www.abc.state.va.us/enforce/abcguid.htm), or email Public Affairs at [pubrel@abc.state.va.us](mailto:pubrel@abc.state.va.us) to request a copy. When requesting a guide through email, remember to include your establishment's name and mailing address.

# Licensee violations and penalties — March - July 2003

Compiled by Public Affairs

**A**s a result of ABC Bureau of Law Enforcement investigations and the ABC hearings process, the following businesses received a minimum sanction of 25 to 30-day suspension and \$1,000 fine from March 2003 to July 2003.

These Sanctions are reported to raise the awareness of ABC licensed businesses. The intent is to inform licensees of the potential penalties for violating Virginia's ABC Laws and Regulations.

It is the hope that making licensees

aware of these major violations will serve as a deterrent. Most licensed establishments operate clean and safe businesses as encouraged by the Virginia ABC Board.

Licensee	Violation	Penalty
Ahn's Restaurant/Yorktown	Dishonored check; purchased, kept, stored unauthorized alcohol; no financial security	Revoked
Ap Gu Jeong Dong Restaurant/Annandale	No financial security	45 days suspended or \$2,000 fine & 10 days suspended; 1 year probation
Bennett's Creek Farm Market/Suffolk	Sold to underage person	25 days suspended or \$2,000 fine
Bennigan's/Falls Church	Sold to underage person	30 days suspended or \$2,500 fine
Best Value Supermarket/Matthews	Sold to underage person	Accepted 30 days suspended or \$5,000 fine & 3 days suspended
Big Market #7787/Richmond	Sold to underage person	60 days suspended or \$5,000 fine & 15 days suspended
C & T Restaurant/Eastville	Failed or refused to comply with a condition or restriction of the license; purchased, kept, stored unauthorized alcohol; allowed consumption of alcohol in undesignated areas	30 days suspended or 2,500 fine
Castle Rock Seafood Restaurant/Alexandria	Allowed consumption of alcohol in restricted hours; licensee is not legitimate owner; purchased alcohol from unauthorized person; no financial security	Revoked
Craig Ave. Superette/Salem	Sold to underage person	30 days suspended or \$3,000 fine & 10 days suspended
Deli Mart 63/Radford	Sold to underage person	60 days suspended or \$5,000 fine & 30 days suspended
Damon's Place for Ribs /Charlottesville	Sold to underage person	Accepted offer in compromise for 3 days suspended & \$1,500 fine

## Licensee violations and penalties *continued*

Licensee	Violation	Penalty
7-Eleven Store 2513 25203/Richmond	Sold to underage person	60 days suspended or \$4,000 fine and 10 days suspended
EZ Mart/Harrisonburg	Sold to underage person	30 days suspended or \$3,000 fine and 10 days suspended
Golden Pine Restaurant/Pound	Sold to intoxicated person on four different occasions; purchased, kept, stored unauthorized alcohol; place for illegal use of narcotics & drunks; licensee illegally possessed, distributed, sold or used or let employee illegally possess, distribute, sell or use marijuana on premises	Revoked
In The Mix/Richmond	Sold to underage person; conducted happy hour against regulations; manager is unable to speak, understand, read or write English; allowed noisy & disorderly conduct	Revoked due to modifying Hearing Officer's decision
Kwik Stop Mart/Stafford	Sold to underage person	25 days suspended or \$2,000
Lee Hall BP/Newport News	Fails to qualify as a restaurant; Inaccurate & incomplete records	Revoked
Lucky Seven Food Stores/Charlottesville	Sold to underage person	Accepted offer in compromise for 5 days suspended and \$4,000 fine
Norfolk Waterside Marriott Hotel/Norfolk	Sold to underage person	Accepted offer in compromise for 30 days suspended and \$3,500 fine
Salem Food Mart/Virginia Beach	Sold to underage person	60 days suspended or \$5,000 and 10 days suspended
Santa Fe East/Alexandria	Licensee purchased wine or beer except for cash paid & collected at the time of or prior to delivery	Revoked
Sharon's Graffiti/Roanoke	Licensee convicted of a felony or crime involving moral turpitude	Revoked

## RSVP Training Coming in 2004

Virginia ABC is developing a new training to familiarize sellers and servers of alcoholic beverages with ABC laws, rules and regulations. Responsible Sellers and Servers: Virginia's Program (RSVP) classes are forecasted to kickoff in the spring. The two-hour sessions will provide direct instruction to the front-line employees and will complement TIPS, a national seller/server program, and "Prevent Underage Sales: Virginia's Alcohol Laws" training packet. RSVP will teach employees ways to prevent sales to minors and intoxicated customers, the proper way to document alcohol-related incidents and much more. For more information, visit our website [www.abc.state.va.us](http://www.abc.state.va.us) in the coming months for posted dates and information.

## Video and Training Packet Popular After a Year

A year ago ABC special agents hand delivered and introduced "Prevent Underage Sales: Virginia's Alcohol Laws" to over 13,000 licensees across Virginia. The video and information packet is designed to help licensee managers conduct training for their sellers and servers to ensure that alcohol is sold within the law. To best use the packet, managers are encouraged to assess their employees' prior knowledge with the included pre-test. Employees then watch the video and take a post-test to see how much they learned.

Special agents continue to introduce the packets to new licensees. From January to June 2003, there were approximately 900 new licensees.

According to evaluations received by ABC, licensees have been pleased with the training.

- 91% of the establishments agreed or strongly agreed that they were satisfied with the training in "Prevent Underage Sales: Virginia's Alcohol Laws"

- 92% agreed or strongly agreed that the packet will be useful to their establishment

- 95% agreed or strongly agreed that the packet and video helped them understand how to prevent underage sales

- 94% agreed or strongly agreed that

the training packet met their expectations

- 91% agreed or strongly agreed that the packet made their staff more knowledgeable on Virginia ABC laws and checking IDs

\*\*\*\*\*

"Every time we hire someone, they must take the test, watch the video and then take the test again. We hire them one day, and they watch the video the next. All employees are tested every two weeks on figuring out the date for alcohol and tobacco purchases. I think the training has helped

because we have seen an improvement. The employees realize that it will help them understand the fines and suspensions we could face, not to mention losing our ABC license."

-Owner of the Tazewell Happy Mart,  
Scott Van Dyke

\*\*\*\*\*

"When we hire an employee, part of our training system is reviewing the training packet and video. We get several people from out of town who want to work, but in other states things are different. We have to explain what they can and can't do in Virginia. The training program describes every detail. We give the test

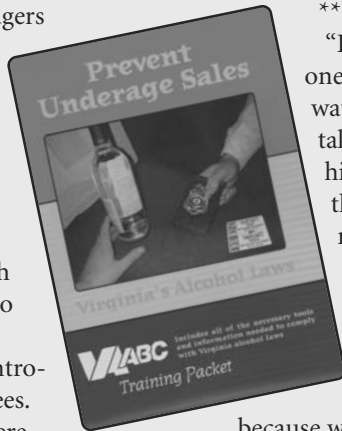
once they are hired in orientation. They take the pre-test, watch the video and take the test again. A manager will explain any questions they don't understand. Our employees need to score a 100 on the test after they watch the video. If they don't get a 100, they watch the video again (Since receiving the tape, Ramsey has trained close to 150 employees.)."

-Operations Manager of Peabody's, Hot Tuna and Shore Break Pizza, Sports and Billiards in Virginia Beach,  
Brandon Ramsey

\*\*\*\*\*

Materials from the "Prevent Underage Sales: Virginia's Alcohol Laws" are being used as part of Fas Mart Convenience Store's new *Trainer Leader's Guide* for managers who teach new employees. The packet is also part of the new employee orientation program for the 21 Kroger grocery stores in the Richmond and Tidewater areas. All cashiers in these stores are required to go through the program.

If licensees do not have a copy, they are encouraged to contact their regional ABC office, or contact ABC Education at [education@abc.state.va.us](mailto:education@abc.state.va.us) or call (804) 213-4688. The printed section of the training packet is also available in the licensee training section of the ABC Web site at [www.abc.state.va.us/Education](http://www.abc.state.va.us/Education).



## Holiday Celebration Packages

Once again the holiday season is fast approaching and equally timely, the issue of holiday package deals has surfaced. The Department has reviewed its stance on this issue, which is as follows:

There will be no limitation placed by the Board upon the number of drinks that can be included in the price of the package. However, it will be the responsibility of the licensee to place a reasonable limit upon the number of drinks included in the price. Additionally, all other regulations regarding advertising, intoxication, happy hour, etc. must be adhered to by licensees conducting these events.

It is Virginia ABC's hope that this has established the standard for these events and that everyone has a safe and enjoyable holiday season.

## An Important Reminder from TTB

The Alcohol and Tobacco Tax and Trade Bureau (TTB) wants to remind you that if your occupation allows you to sell beer, wine or liquor, you are required to pay an annual special tax for each business location from which sales are made. The tax applies to all sales, including retail, wholesale, package, by the drink, on-premise consumption and off-premise consumption. You are required to pay this tax upon commencing business and continue to file and pay each year thereafter on or before July 1.

Those businesses that have paid in the past should have received a preprinted renewal form(s) by mid-June. If you did not receive the form(s), or you have never paid the tax, please contact The National Revenue Center at (800) 937-8864. Failure to file and make payments could result in costly penalties and interest.

## Virginia Allows Direct Shipment to Consumers

As the news media in Richmond reported, interstate shipping of wine in Virginia will “pop the cork” on the wine industry. This industry has become quite newsworthy since legislation effective July 1, 2003 has created the possibility of opening the Commonwealth’s wine trade to states with similar laws. The other states will each have to review Virginia’s statute to determine if it is compatible with their state’s law, therefore qualifying Virginia for reciprocity.

Virginia ABC has been in touch with many of the other states, and on August 19, Acting Director of the California Department of Alcoholic Beverage Control Jerry R. Jolley wrote ABC’s Chief Operating Officer, Curtis Coleburn, with the news that his state has determined that Virginia’s statute is considered to be reciprocal with

California. So far, officials in Colorado, Hawaii, Idaho, Iowa and Washington State have indicated that Virginia’s law is not reciprocal with theirs.

Virginia and out-of state wineries, breweries and other persons authorized to sell wine or beer at retail for off-premise consumption will now be allowed to ship up to two cases of wine and/or beer per month directly to customers’ homes in the Commonwealth. In order to do so, they must apply for and obtain a wine or beer shipper’s license.

Visit the ABC Web site at [www.abc.state.va.us](http://www.abc.state.va.us) for a complete list of restrictions and conditions. Some conditions outlined on the site include the requirement that all shipments must be made by common carriers approved by ABC, and all wine or beer shipped into the Commonwealth must be approved for sale in Virginia by ABC. In

addition, the site lists reporting requirements regarding the need for complete, accurate and separate records, including quantities and prices charged. The reporting must also include the name and addresses of the purchasers to whom wine or beer is shipped.

Shipper licensees will remit excise taxes on a monthly basis if the taxes have not already been paid. Licensed retailers located in the Commonwealth are not required to remit excise taxes since those taxes are paid by the wholesaler at the point of transfer to retail.

For more information on wine and beer shipping please visit the Virginia ABC Web site or email your questions to [enforcement@abc.state.va.us](mailto:enforcement@abc.state.va.us)

**Visit the ABC Web site at [www.abc.state.va.us](http://www.abc.state.va.us) for a complete list of restrictions and conditions.**

## MART Training Receives Praise from Participants

The spring sessions of Managers’ Alcohol Responsibility Training (MART) received high marks from the participating licensee managers and seen as a success by the Virginia ABC special agents who conducted the trainings. The 10 four-hour sessions, which kicked off April 16 and ended June 3, were held in Alexandria, Chesapeake, Hampton, Lynchburg, Richmond, Roanoke and Verona for 402 licensee managers. To meet demand, additional sessions were conducted in Alexandria, Chesapeake and Richmond.

MART is designed to help off and on-premise licensee managers better understand Virginia’s alcohol-related laws, rules and regulations. A team of special agents, licensee managers and ABC education staff developed the training. In addition to the laws, licensee managers learned about management related issues, including checking IDs, employing minors and using proper advertising. Eighteen special agents received training to conduct the sessions, and they answered the managers’ questions to clarify misinformation throughout the licensee community.

*Special Agents had this to say about their experience as MART trainers—*

“Licensees were unfamiliar with some of the ABC laws. It was helpful to have examples of the advertising to help them understand the different types and what they can and cannot use. We can give licensees a book with the laws and regulations, but it helps to have

an agent clarify exactly what they mean, based on experience.” *Special Agent, Chesapeake Regional Office, Joe Cannon*

“The licensees received the opportunity to meet with the agents one on one. They saw us as a resource and not as the person out to reprimand them. The licensees enjoyed the class, and they got to share information.” *Special Agent, Hampton Regional Office, Orlando Carraballo*

“We found that the licensee managers particularly enjoyed the ID portion of the training. By covering the laws and regula-

tions, we allowed the licensee managers to receive the right information directly from the source.” *Special Agent, Lynchburg Regional Office, Steve Lindsey*

*Participants had this to say—*

“Knowing the laws is a must. We take it seriously. It has brought an awareness, and it’s the responsible thing to do for people who work in the bar and restaurant industry.”

“I need to get more of my employees to come to these classes in the future.”

“The agent giving the class was excellent. He answered each of our questions in detail.”

“This training was so helpful. Encourage your employees to attend.”

Plans are underway to enhance the training and make it accessible to more managers throughout Virginia. Please contact Virginia ABC’s Education Section at (804) 213-4688 or visit [www.abc.state.va.us/education](http://www.abc.state.va.us/education) for future postings.



# Ask ABC: Questions from the Field

"Ask ABC" is intended to provide answers to common and not-so-common questions that affect ABC retail licensees and their employees. This serves as an easy-to-use supplement to all of the education materials already offered through ABC, but is not a legal document and does not supercede the Code of Virginia, Virginia Administrative Code or any other statute.

"Ask ABC" is intended to provide answers to common and not-so-common questions that affect ABC licensees and their employees. This serves as an easy to use supplement to the education materials already offered through ABC, but it is not a legal document that substitutes for the Code of Virginia, Virginia Administrative Code or any other statute.

Have a retail license question for ABC?

To submit a question to Ask ABC, please e-mail your question and a photo (jpeg preferred) of your establishment to:

[mwmillr@abc.state.va.us](mailto:mwmillr@abc.state.va.us)

Q: Besides a driver's license, what are some other acceptable forms of identification to purchase alcoholic beverages?

A: Armed forces ID card, passport or visa, special ID card issued by the Department of Motor Vehicles or any valid ID issued by a federal or state agency. However, all valid forms of IDs must contain a photograph and signature of the ID holder along with height and date of birth. A student ID is not valid or accepted as proof of legal age.

Q: Can you allow your customers to finish off the contents of a pitcher of beer after 2:00 a.m. if they purchased it before 2:00 a.m.?

A: No. Neither sale nor consumption of alcoholic beverages is permitted after restricted hours.

Q: A customer orders a round of drinks for the house and tells the bartender to make one for him as well. The persistent customer is spending a lot of money, so the bartender takes a sip of the drink to make everyone happy. Is this a violation?

A: Yes. Mixed beverage licensees and employees are never allowed to consume alcoholic beverages while on duty in any amounts under any circumstances.

Q: You have just bought a neon Budweiser sign that would look great in the front window of your restaurant. Should you put it up?

A: No. You cannot advertise alcoholic beverages on any exterior window. Also, permanent mechanical signs cannot refer to a particular brand name if that brand, or any other brand from the same manufacturer, is sold in the establishment.



Governor  
Mark R. Warner

**Governor Mark Warner is dedicated to seeing Virginia lead the nation in the new century and in the new economy.**

**Governor:** Mark R. Warner

**Secretary of Public Safety:** John W. Marshall

**ABC Board Members:**

Vernon Danielsen, *Chairman*

Esther Vassar, *Board Member*

Warren Barry, *Board Member*

**Newsletter Editorial Board:**

Becky Gettings, *Public Affairs Director*

Whitney Miller, *Editor, Public Affairs*

Linda Wine, *Designer, Public Affairs*

Phone: (804) 213-4413, Fax: (804) 213-4415

Gary Bond, *Wholesale/Retail, Operations Analyst*

Rohn Brown, *Education Coordinator*

Chris Curtis, *Bureau of Law Enforcement, Director*

Tom Lisk, *Virginia Hospitality and Travel Association, Legal Council*

Mike O'Connor, *VA Petroleum Marketers & Convenience Stores Association, Inc., President*

Robert O'Neal, *Hearings & Appeals, Director*

Joan Strombrerg, *ABC Board*

Shawn Walker, *Training, Education & Industry Matters, Special Agent in Charge*

Visit ABC online at [www.abc.state.va.us](http://www.abc.state.va.us)



Virginia Department of  
Alcoholic Beverage Control  
2901 Hermitage Road  
P.O. Box 27491  
Richmond VA 23261-7491

PRESORTED  
STANDARD MAIL  
US POSTAGE  
**PAID**  
RICHMOND VA  
PERMIT NO 248